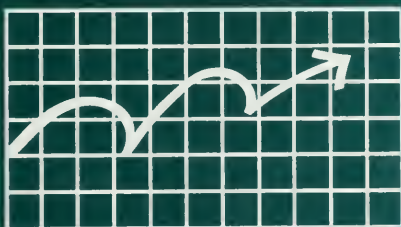


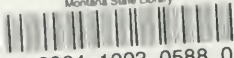
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GUIDE TO ECONOMIC DEVELOPMENT PROGRAMS  
JANUARY 1987  
MONTANA DEPARTMENT OF COMMERCE

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A GUIDE TO MONTANA'S ECONOMIC DEVELOPMENT & BUSINESS ASSISTANCE PROGRAMS

Revised January 1987

MONTANA DEPARTMENT OF COMMERCE  
1424 Ninth Avenue  
Helena, MT 59620

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HELENA, MT 59620-0401  
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The following is a compendium of economic development programs provided by the State of Montana and other agencies in Montana. General information about these programs may be obtained by contacting:

Business Assistance Division  
Department of Commerce  
1424 Ninth Avenue  
Helena, Montana 59620  
(406) 444-3923

More specific information is available from the contact person identified with each program.



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## DEPARTMENT OF COMMERCE

### DIRECTOR'S OFFICE

The Director of the Department of Commerce is responsible for the overall management of the department, which includes:

- ° Aeronautics Division
  - Airport/Airways
  - Safety & Education
- ° Business Assistance Division
- ° Business Regulation Division
  - Building Codes
  - Milk Control
  - Professional & Occupational Licensing
  - Weights & Measures
- ° Economic Analysis
- ° Financial Division
- ° Indian Affairs Coordinator
- ° Local Government Assistance Division
  - Audit
  - Community Development
  - Housing Assistance
  - Systems
- ° Lottery Division
- ° Montana Promotion Division
- ° Transportation Division

The Management Services Division and the Legal and Consumer Affairs Unit are also attached to the Director's Office. In addition, the Director chairs the State Banking Board in accordance with statutory requirements, and serves as Secretary of the Montana Ambassadors. The Director is also responsible for staffing the Governor's Council on Economic Development.

Contact: Keith L. Colbo, Director  
Department of Commerce  
1424 Ninth Avenue  
Helena, MT 59620  
(406) 444-3494

## **BUSINESS ASSISTANCE DIVISION**

The Business Assistance Division of the Department of Commerce provides comprehensive services that constitute the direct technical assistance component of the "Build Montana" economic development effort, including the following programs:

### **Small Business Advocacy and Business Licensing**

The division distributes information concerning the state licensing requirements for starting and operating a business and provides assistance to businesses in applying for licenses and permits. The division also serves as an advocate for small businesses. An in-state, toll-free telephone number is available for their use. It is: 1-800-221-8015

### **Business Location**

The Business Location Program publicizes and advertises Montana to firms planning relocations or expansions. The program initiates and develops relations with business sectors and individual firms, and prepares and presents location data in response to inquiries received by the department. The program also works closely with local development organizations in their efforts to locate new firms in their communities.

### **Montana Ambassadors**

In response to a private sector recommendation, the state has implemented an "Ambassador" program to complement the department's business location, marketing and Montana promotion efforts. The program is made up of approximately 200 business and university leaders from throughout the state. Members are expected to make calls on out-of-state business executives and tour operators to familiarize them with Montana as a travel destination and a place to do business. Additionally, Ambassadors work with Montana manufacturers to help market their products outside the state, and they assist the state in hosting visiting foreign visitors and trade delegations. The program is funded by its members and staffed by the Department of Commerce.

### **Assistance to Local Development Organizations**

Assistance is provided both to local leaders responsible for organizing and maintaining local development efforts and to the professional staff of local organizations who must provide technical skills to local development efforts. (A list of local development organizations can be found on the last page of this book.) In cooperation with the Montana Ambassadors, the division conducts the Certified Communities Program, through which cities, towns, counties, and tribal governments are helped to plan and carry out effective local economic development programs specifically designed to meet local needs.

### **International Export Assistance**

This program is designed to enhance the marketability of the manufactured and processed agricultural products of Montana's small businesses. International export assistance offers direct, one-stop technical assistance to those small businesses wishing to enter foreign markets. The department also cooperates with the Montana International Trade Commission in sponsoring international trade projects.

## **Development Finance Technical Assistance**

Technical assistance is available to businesses in the areas of financial analysis, financial planning, loan packaging, industrial revenue bonding, state and private capital sources and business tax incentives. The program is also designed to work with businesses and financial institutions to encourage the use of various public sector programs, including Urban Development Action Grants (UDAGs), Community Development Block Grants, EDA grants, SBA loan guarantees, Industrial Revenue Bonds and the Montana Economic Development Board's in-state investment funds.

## **Marketing Assistance**

Program staff work with individual small businesses and trade associations to develop and expand outlets for products manufactured or processed in Montana. Products of Montana manufacturers are represented at selected trade shows both in the United States and foreign countries.

## **Montana Product Promotion**

The Montana Product Promotion Program is designed to elevate the status of Montana-made products in the marketplace. The program also serves to educate Montanans about the diversity of products manufactured in their state. As part of this program, a full-color "Made in Montana" logo is available to manufacturers of products that have a minimum of 50% Montana-added value.



This logo is available in the form of hang-tags, adhesive labels and photo mechanical transfers (PMTs) for direct printed inclusion in product packaging. The PMTs are free of charge, and the labels are available from a contracted supplier at a fixed unit price. The department has implemented an extensive public awareness campaign utilizing television, newspaper, outdoor and radio advertising to encourage Montanans to "look for the label."

## **Manufacturing and U.S. Government Procurement Assistance**

The division disseminates current government procurement information to interested small business bidders. It also provides technical assistance, either directly or through cooperating university system units, to those small businesses having problems in production management, quality control, cost accounting, or related manufacturing areas.

Contact: Business Assistance Division  
Department of Commerce  
1424 Ninth Avenue  
Helena, MT 59620  
(406) 444-3923

## DEVELOPMENT FINANCE PROGRAMS

The 1983 Legislature, as a result of Initiative 95, authorized a series of programs designed to help small businesses obtain attractive capital financing. These programs are administered by the Montana Economic Development Board (MEDB). Each program operates with different eligibility criteria under state or federal law, but the primary focus of all programs is to increase availability of long-term fixed rate financing to small Montana businesses.

### Coal Tax Loan Programs

The Montana Economic Development Board is a development agency, not a bank or venture capital company. Its responsibility is to strengthen and diversify the state's economy through prudent investments in qualifying Montana businesses. The Board has limited financial resources and looks for those loan projects which have the greatest potential for creating employment opportunities for Montanans and for providing other long-term benefits to the state's economy. The Board's programs are designed to assist businesses by making available to them long-term, fixed rate financing at competitive interest rates for a variety of needs.

During each calendar year, the Board receives approximately \$10 million in coal tax trust funds for investing in loans to small Montana businesses. No one loan can exceed 10% of the prior year's deposits into the In-State Investment Fund as of January 1, 1987, the maximum loan was \$1 million. Loans are made only through approved Montana financial institutions, which include state- or federally-chartered banks, savings and loan associations, credit unions, development credit corporations, investment companies, trust companies, savings institutions, and qualified Montana capital companies. A complete list of approved financial institutions is available from the Board's office.

The Board is authorized by law to establish the types of loans that it will administer. The rules adopted by the Board provide several methods for making loans to Montana businesses, which are briefly summarized below. Detailed descriptions of each loan program, rules, application forms, and information on fees and the application process are available from approved financial institutions or from the Board's office in Helena.

### Eligibility Requirements

Coal tax loans are limited by state statute and by the rules adopted by the Board to investments in businesses that will have a "long-term benefit to the Montana economy." The Board has determined that that includes primarily businesses engaged in one or more of the following:

- Basic Economic Activity (Defined as any business activity conducted in-state from which 50% or more of gross revenues are derived from out-of-state sources);
- Import Substitution Activity (Defined as the in-state production of a good or service 50% or more of which will be purchased by in-state users in place of like or similar goods or services which previously would have been purchased from out-of-state sources); and

- Retail and Wholesale Distribution of Montana-made Goods (Defined as any retail or wholesale distribution activity conducted in the State for which the sale of goods produced in Montana comprises 50% or more of gross revenues).

Business submitting applications for coal tax loans involving the SBA 504 Loan Participation Program are not necessarily limited to the above three types of business activities.

### Preferences

When deciding which of several eligible investments of equal or comparable security and return to finance, when sufficient funds are not available to finance all possible investments, state law requires the Board to give preference to:

- small- and medium-sized businesses;
- locally-owned enterprises;
- employee-owned enterprises;
- businesses that provide "jobs for Montanans";
- businesses that "maintain and improve a clean and healthful environment"; and
- businesses that "encourage or benefit the processing, refining, marketing, and innovative use and promotion of Montana's agricultural products".

Each of these preferences is defined in the rules and the application form.

### Federally Guaranteed Loan Program

The Board may fund a loan to an eligible small business by purchasing the portion of a lender's loan guaranteed by the U.S. Small Business Administration, the U.S. Farmers Home Administration, or by some other federal agency. The interest rate on the Board's portion of the loan is established at 100% of the rate for a U.S. Treasury Note of a like or similar maturity. The lender may charge up to 2% above the Board's rate on the federally guaranteed portion of the loan, for servicing, and may charge a separate rate on the lender's portion of the loan subject to the maximum rate established by the federal agency.

Generally, any loan that is eligible for a federal agency's guarantee may be funded through this program. This includes loans for the purchase of land, buildings, equipment, machinery, building expansion or repair, inventory or funds for working capital. The maximum term is 20 years.

### Economic Development Linked Deposit Program

The Board may fund a loan to an eligible small business by placing a long-term deposit with a lender in an amount up to 100% of a corresponding fixed rate loan linked to the deposit. The Board does not share in any credit risk of the loan. The Board's interest rate on its deposit is established at 105%



of the rate for a U.S. Treasury Note of a like or similar maturity. A lender may charge up to 3% above the Board's rate on the portion of the loan linked to the Board's deposit.

Funds under this program may be used for working capital, interim construction, inventory, site development, acquisition of machinery, equipment and buildings, or for any other type of loan acceptable to the lender. The maximum loan term is 20 years.

#### Business Loan Participation Program

The Board may fund a loan to an eligible small business by purchasing from an originating lender up to 80% of the lender's loan. A maximum loan to value of 75% is allowed under this program using the lower of cost/purchase or appraised value. Loan funds may be used to finance fixed assets (land, buildings, and equipment).

The interest rate on the Board's portion of the loan is established at 110% of the rate for a U.S. Treasury Note of a like or similar maturity. The lender may charge up to 2% above the Board's rate on the Board's portion of the loan, for servicing the loan, and may charge the lender's market rate on the portion of the loan carried by the lender. The maximum loan term is 20 years.

#### SBA 504 Loan Participation Program

The Board may fund a portion of a project financed under the SBA 504 Program by purchasing from an originating lender up to 80% of the lender's first mortgage loan amount. All terms and rates are the same as under the Business Loan Participation Program. For this program only, it is not necessary that the business meet the eligibility requirements for other Coal Tax Loan Programs described under the Eligibility Requirement Section.

#### **Industrial Development Bond Programs**

The Montana Economic Development Board also issues tax-exempt industrial development bonds (IDBs) to fund loans to Montana businesses for the acquisition of land, buildings or equipment. All loans must meet federal eligibility requirements and primarily provide long-term, fixed rate financing. After December 31, 1986, only manufacturing projects are eligible through December 31, 1989.

#### Pooled Industrial Development Bond Program

The Pooled IDB program provides small borrowers (even \$100,000 projects) access to the tax-exempt market not possible by themselves. The Board combines several IDB projects together and sells its bonds to fund the loans. Loans under this program may be up to \$3 million. All loans are originated and serviced by Board-approved financial institutions, which must provide a 35% letter of credit on the project. Borrowers must contribute at least 10% equity. Federal law requires that the Board conduct a public hearing on each project and find it to be in the public interest before costs can be incurred.

The Board takes responsibility for underwriting the bonds and funding the loans. The interest rate on the loans is established when the bonds are sold and includes the bond rate and the underwriting costs. There are additional servicing fees. Origination costs and most other "soft" costs can be financed through the program.

## Stand Alone Industrial Development Bond Program

A borrower who can assume responsibility for funding its project can have the Board issue industrial development bonds (IDBs) under the "Stand-Alone" program. A borrower typically has three alternative ways to accomplish funding through IDBs: direct access to the bond market through the market's recognition of financial strength of the borrower, a bank letter of credit which the bond market recognizes and accepts, or a tax-exempt loan through a bank (no public bond offering necessary). The Board serves only as the legal issuer of the bonds and assumes no responsibility for funding the loan.

Project costs to be funded with IDB proceeds can be incurred only after the Board holds a public hearing and finds the project to be in the public interest. Current sunset provisions also apply.

## **Municipal Finance Programs**

The Board, in addition to promoting business development, also seeks to lower the borrowing costs of local governments. The Board's municipal Cash Anticipation Finance program finances the temporary cash deficits of local governments at very low cost. In 1986, the average rate of interest from using the MCAF program was 2.8%. Any government entity anticipating a deficit in one of its funds can participate in MCAF. One of the program's advantages is that a user need not first cover a deficit with monies from other of its funds. This ability to use MCAF instead of interfund borrowing helps the local government to maximize interest earnings in its invested accounts.

The Board is designing another municipal program. This program, called the Intermediate Term Capital Pool program (INTERCAP), will provide local governments a way to finance equipment, vehicles, and short-term capital improvements. By pooling the needs of many governments, the Board expects to achieve significant economies and pass the savings on to the users. INTERCAP is scheduled for implementation in early 1987.

## **Montana Capital Companies**

The Montana Economic Development Board also administers the Montana Capital Company Act, which is designed to make private venture or equity capital an available resource within the state. Through the program, the state offers a 25% tax credit incentive (up to \$25,000) to investors in qualified Montana capital companies, which in turn must invest these funds in small, basic Montana firms. The capital companies must be approved by the Montana Economic Development Board. Available tax credits are limited to \$2 million through 1987 and are allocated to capital companies in the order that they become "qualified" and have actual investors. As of November 1, 1986, four firms had been designated as "certified and qualified" Montana capital companies while three firms had completed the "certification" stage and were in the process of raising at least \$200,000 in equity capital to become "qualified" for tax credits.

For further information about any of the Board's programs, please contact:

Robert M. Pancich, Administrator  
Montana Economic Development Board  
1520 East Sixth Avenue - Room 50  
Helena, MT 59620-0505  
(406) 444-2090

## **HEALTH FACILITY FINANCING**

The Montana Health Facility Authority issues tax exempt revenue bonds to finance construction or renovation of non-profit hospitals and health facilities or equipment for health facilities.

Contact: Jack Nielson, Administrator  
Montana Health Facility Authority  
1520 East Sixth Avenue - Room 50  
Helena, MT 59620  
(406) 444-5435

## **MONTANA PROMOTION DIVISION**

The Promotion Division is responsible for promoting the State of Montana as a travel destination for both summer and winter vacationers. Utilizing the State's "Master Marketing Plan," the division strives to increase the frequency of visitations by nonresident tourists and travelers. The division works closely with the private sector (airlines, ski areas, innkeepers, outfitters, etc.) to increase the dimensions of its tourism-related efforts. In addition, the division promotes group travel and markets Montana as a location for the film and television industries.

### **Consumer Travel Promotion**

This section of the Montana Promotion Division is responsible for the promotion of the state to individual consumers. Consumer Travel Promotion includes four different but related functions: publications, advertising, exhibiting, and publicity. Each year, up to 12 full-color publications explaining and illustrating the Montana vacation product are published by division personnel. In addition, the staff creates, designs and oversees the production for all paid advertising and advertising campaigns. Consumer travel personnel are also responsible for generating publicity about Montana and for exhibiting at consumer trade shows.

### **Group Travel Promotion**

Group Travel is responsible for initiating and maintaining productive contact with the travel trade industry. Personnel advertise in specific and various ways to attract national and international tour groups to Montana. A "Group Tour Planning and Dining Guide" is published regularly and sent to group tour operators. Staff members attend travel trade shows and conduct familiarization tours for tour operators and travel agents. Group Travel targets its markets to include Canada and western and mid-western states for winter and summer group tours.

### **Motion Picture and Television Promotion**

Staff involved in film and TV promotion act as a liaison for studios and production companies interested in filming motion pictures and commercials in Montana. In addition to scouting locations and negotiating permits, personnel go on location with film crews to serve as consultants and to provide technical expertise and other location-related assistance. Staff also publish a "Motion Picture and Television Location Manual," which is sent to interested parties, including location scouts, producers and directors.



Contact: John Wilson, Administrator  
Montana Promotion Division  
Department of Commerce  
1424 Ninth Avenue  
Helena, MT 59620  
(406) 444-2654

## OFFICE OF ECONOMIC ANALYSIS

The Office of Economic Analysis (OEA) is responsible for providing economic and demographic information to the Department of Commerce, other agencies of state and federal government, the business community and the general public. The Office also serves as policy advisor to the department director regarding the department's programs, and in specific cases, provides analyses for the Governor's Office and other agencies. OEA prepares a report entitled Economic Conditions in Montana for each session of the Montana legislature.

One of the major emphases of OEA is to provide information to natural resource oriented enterprises interested in expanding or locating operations in Montana. Such information includes specific economic conditions on a local or statewide basis, general information on other operations that may be similar or complementary to the one proposed, and the presence of necessary natural resources.

## Governor's Council on Economic Development

The OEA staffs the Governor's Council on Economic Development (GCED), which provides the Governor and the Department of Commerce with private sector, local government and educational expertise in economic development planning and strategy formation. The GCED provided the 1987 session of the Montana legislature recommendations regarding agricultural debt, liability insurance, and business taxation. The Office is responsible for the organization of GCED meetings, research on issues selected for study, producing minutes of meetings, supplying information to support recommendations, and preparing all written materials and correspondence including the final report of recommendations.

For general inquiries, contact:

Steve Huntington, Administrator  
Office of Economic Analysis  
Department of Commerce  
1424 Ninth Avenue  
Helena, MT 59620  
(406) 444-3814

## Census and Economic Information Center

The Census and Economic Information Center (CEIC) in OEA is the central storehouse through which Montana economic and demographic information is available for public review and use. Responses to inquiries regarding general economic and demographic conditions in Montana and specific localities are routinely provided to a variety of users such as the business community, other state government agencies, federal government agencies, educational institutions, and the public.

CEIC is the lead agency in the network of state data centers and is the main Montana contact with the U.S. Census Bureau. CEIC also compiles County Profiles and the Montana Statistical Abstract.

The County Profiles present current detailed descriptions of the counties in Montana, including information such as vital statistics, health, education, housing, employment, income, and other economic statistics. The Montana Statistical Abstract includes detailed economic information about the entire state, and was last published in 1985.

For specific inquiries, contact:

Patricia Roberts  
Census and Economic Information Center  
Department of Commerce  
1424 Ninth Avenue  
Helena, MT 59620  
(406) 444-2896

## **TRANSPORTATION DIVISION**

The Transportation Division is responsible for providing litigation and analytical assistance to transportation users and developing cost models to assess changes in transportation rates and systems. The division also provides technical, planning and financial assistance to local governments, transportation providers and users.

### **Litigation and Analysis Bureau**

The Litigation and Analysis Bureau is responsible for transportation rate analysis and litigation and for providing technical expertise and assistance to shippers. Bureau personnel compile and file evidence as well as testify on said evidence before the courts and the Interstate Commerce Commission. The bureau performs analytical work such as developing cost formulas and models to analyze transportation cost components.

### **Local Rail Service Assistance**

Federal and state legislation authorize and direct the State to prepare a State Rail Plan. In this planning document, state rail policy is defined. Segments of rail systems within the state are evaluated, and federal assistance projects are identified. Financial assistance for eligible projects includes limited grants and low-interest loans to rail or rail-related industry for track plant rehabilitation, acquisition or new construction. Technical assistance is provided for organizing and operating alternative short line railroads.

### **Rail Abandonment Study**

Legislation creating this study directs the department to identify and research the feasibility, desirability and estimated cost of acquisition by the State of those railroad rights-of-way that are or may be abandoned. The department is required to submit a plan, to be considered by the Legislature, for the acquisition of rail properties. The department is also directed to join and assist local groups in evaluating financial feasibility, seeking funding and establishing a feeder line program for communities interested in preserving branchline rail service.

## **Subterminal Development Monitoring**

Since the introduction of unit train grain rates in 1980, the Transportation Division has monitored changes in the state grain marketing industry. Information on grain subterminal development rate structures and branchline abandonments are available from the division.

## **Passenger Transportation Bureau**

This bureau administers state and federal programs that provide financial and technical assistance to intercity passenger carriers, urban public transportation and other transportation providers and users, including the elderly and handicapped. This bureau is also responsible for developing and implementing programs to improve passenger transportation in Montana.

## **Special Projects Section**

The Special Projects Section of the Transportation Division conducts research and prepares special studies pertaining to transportation issues. These issues often concern grain movement, rail abandonment impacts, trucking, maritime transportation, rail passenger transportation and other related subjects. An additional responsibility is to monitor transportation-related legislation.

Contact: William Fogarty, Administrator  
Transportation Division  
Department of Commerce  
1424 Ninth Avenue  
Helena, MT 59620  
(406) 444-34236

## **AERONAUTICS DIVISION**

The Aeronautics Division of the Department of Commerce administers a program of low-interest loans for various airport improvement projects. The 7.109% loans, matched by similar federal airport improvement grants, are available to any Montana tax-levying body -- cities, counties, airport authorities, etc. -- for a maximum loan period of nine years. Montana's legislature authorized a bond sale in the amount of \$1.7 million to fund this program over the 1986-87 biennium.

Contact: Mike Ferguson, Administrator  
Aeronautics Division  
Department of Commerce  
2630 Airport Road, Box 5178  
Helena, MT 59601  
(406) 444-2506

## **LOCAL GOVERNMENT ASSISTANCE DIVISION**

The primary functions of the Local Government Assistance Division are to provide technical and financial assistance to units of local government; to insure local political subdivisions' financial compliance; to administer Federal housing, economic development and public works funds; and to provide administrative support to the Montana Coal Board and the Montana Hard Rock Mining Impact Board.

### Community Technical Assistance Program

The Community Development Bureau staff is currently studying local infrastructure needs in conjunction with local, state and federal agencies. The focus of this effort is to identify ways of enhancing local government's capability to finance and maintain local public facilities.

The bureau staff also provides answers to questions from local government officials primarily in the areas of project financing (grants, loans), land use planning and legal matters. The staff follows up on requests for information via networking with other local government organizations and by doing special research. Resources include a library, computer searches, Planners Advisory Service and access to a local government/land use attorney.

### Hard-Rock Mining Impact Board

The Hard-Rock Mining Impact Act of 1981 requires the developer of a proposed, large-scale, metalliferous mine to prepare an impact plan that identifies the project's anticipated impacts on local government services, facilities, revenues and expenditures. The impact plan is to include a schedule specifying when and how the developer will meet any net increase in local government costs that are expected as a result of the mineral development. The Hard-Rock Mining Impact Board is to facilitate the overall implementation of the Act and resolve, through a formal hearing process, any differences between the developer and the affected local governments concerning the impact plan. The Board is also authorized to administer two separate grant programs, one of which has not been funded; the other deals with the community and economic impacts of future mine or smelter closures.

### Community Development Block Grant (CDBG) Program

The Montana Community Development Block Grant (CDBG) Program is a federally funded competitive grant program which awards approximately \$6 million annually to Montana cities, towns, and counties to assist them with serious community needs. All projects must be designed to principally benefit low and moderate income persons or families.

Local projects address needs in three basic categories: economic development, housing, and public facilities. Multipurpose projects include a combination of two of the three basic categories. The grant competition for housing, public facility, and multipurpose projects is conducted annually in the Fall. The grant competitions for economic development applications take place three times annually.

The program is authorized by the Federal Housing and Community Development Act of 1974, and is administered nationally by the U.S. Department of Housing and Urban Development (HUD). The program has been administered for the State of Montana by the Montana Department of Commerce since January, 1982. As of January 1, 1987, 90 grants totalling almost \$29,531,899 have been awarded to counties and municipalities from the HUD allocations to Montana for federal fiscal years 1982 through 1986.

### County Land Planning Grant Program

This program became effective July 1, 1975, and created a County Land Planning Fund (CLPF) which is derived from the Montana coal severance tax. One half

of one percent (.50%) of the total coal tax revenue is allocated to the CLPF. County governments receive CLPF. The funds may then be distributed by the counties to local planning boards (including city planning boards). The counties may also elect not to distribute the money. The program is legally structured under Section 90-1-108, MCA and 15-35-108, MCA.

The funds are to be used for "land planning purposes". Basically, this means that the funds are to be used for local land use planning -- operation of planning boards; preparation of community comprehensive plans; administration of subdivision, zoning, lakeshore, and floodplain regulations; and special plans or programs -- downtown redevelopment, economic development, capital improvements planning, rural addressing systems, natural resource inventories.

All counties receive a minimum of \$3,000 per year. The remaining money is distributed on a formula based 40 percent on geographical area, and 60 percent on population. The CLPF has provided Montana's counties with approximately \$2.9 million for land use planning since 1975. Counties have consistently put approximately 95 percent of these funds to use every year.

### Local Impact Assistance Program

The Local Impact Assistance Program is administered by the Montana Coal Board and was initiated in 1975 by legislative action.

The Montana Coal Board awards grants and loans to local governmental units which have been required to expand the provision of public services as a consequence of large-scale development of coal mines and coal-using energy complexes. Funding is derived from the Montana coal severance tax. The Coal Board has awarded 196 grants for over \$60 million to local governmental units based on need, severity of coal impact, availability of funds, and degree of local effort in matching funds.

The percentage of grants received by local governmental units is as follows:

School Districts	53%
Cities	16%
Counties	19%
Special Districts	10%
State Agencies and Indian Tribes	2%

Contact: Newell B. Anderson, Administrator  
Local Government Assistance Division  
Montana Department of Commerce  
Cogswell Building, Room C-211  
Helena, MT 59620  
(406) 444-3757

### Section 8 Housing Assistance

#### A) Section 8 Existing Housing

This program is operated by the Department of Commerce under an annual Contributions Contract with the U.S. Department of Housing and Urban Development. The authority for this is provided under Section 8 of the United States Housing Act of 1937. The basic purpose of the program is to provide rental assistance on behalf of lower-income families and the elderly in existing rental units that are decent, safe and sanitary.



This program is operated on a first-come, first-served basis statewide, and because the number of HUD-authorized units for subsidy is lower than the demand, there is an extensive waiting list. In all instances the applicant, once certified, is responsible for finding a rental unit that meets HUD standards and the rental subsidies are made to the property owner on behalf of the tenant. Payments are based on unit rent and an established portion (30%) of the tenant's adjusted gross income.

#### B) Section 8 Moderate Rehabilitation

As with the Existing Program, this program is authorized by the United States Housing Act of 1937, and is operated under an Annual Contributions Contract between the Department of Commerce and HUD. This program provides for the upgrading of rental units for a period of fifteen years.

Fifteen-year contracts are signed with developer-owners for rehabilitated rental units, and subsidies are provided on behalf of all eligible families who rent the units. Unlike the Existing Program, the subsidy stays with the unit and is not transferred to other units when subsidized families move.

#### Summary of Cumulative Financial Assistance (FY '77 through FY '85)

* Rental Subsidies (A above)	\$19,226,307
* Housing Rehabilitation Projects (B above)	4,981,101
* TOTAL	\$24,207,408

Contact: Gary W. Addington, Bureau Chief  
Section 8 Housing Bureau  
Montana Department of Commerce  
805 N. Main  
Helena, MT 59620  
(406) 444-2804

#### **Local Government Block Grant Program**

There are two grant types in this program: General Purpose Block Grant (7-6-304, 61-2-526, MCA) and the General Services Block Grant (7-6-306-(307), MCA). The program (both grants) is funded by one-third of the 5% severance tax on oil, a state General Fund appropriation and a special light vehicle fee. This revenue generates approximately \$34 million biannually to units of local government. By law the program must make the General Purpose distribution first, then allocate all remaining funds through the General Services Grants.

#### Cumulative Distribution:

General Purpose Block Grant	\$79,796,818
General Services Block Grant	\$ 2,008,115

#### **District Court Reimbursement Program**

District Court Reimbursement Funds are designed to have the state assume certain expenses associated with criminal proceedings in district courts. The reimbursements are made to county governments only. General definition of eligible expenses for state assumption include: a portion of the salaries of court reporters; transcripts of proceedings; witness and juror fees;

indigent defense; and psychiatric examinations. Funding for these expenses is limited to the funds appropriated to the program by the legislature. Any reimbursable costs incurred by county governments for district court operations which exceed the appropriated ceilings for each fiscal year are the responsibility of the county.

All state-assumed costs are handled on a reimbursement basis to county governments only. No direct payments to individuals are made.

The state reimburses county governments only for those eligible costs related to criminal cases heard in district court. No costs incurred for youth court or justice court operation, or for cases other than criminal are considered. Additionally, only costs incurred after July 1, 1986, are eligible for reimbursement.

Contact: James M. Courtney, Program Manager  
Accounting and Management Systems  
Montana Department of Commerce  
805 N. Main  
Helena, MT 59620  
(406) 444-3010

## **MONTANA SCIENCE & TECHNOLOGY ALLIANCE**

The Montana Science and Technology Alliance (MSTA) is a partnership of business, government and universities in Montana. The Alliance was established in 1985 by the Montana Legislature to help strengthen and diversify the state's economy through the development and application of innovative science and technology.

Its capital base consists of state funds, appropriated by the Legislature, which the MSTTA Board invests in projects that it believes have outstanding technological and commercial potential for the economic future of Montana.

### **Investment Programs**

The MSTTA has four complementary investment programs offering funding assistance.

- ° Research Capability Development -- Investments to create new and strengthen existing, in-state, private-sector university cooperative research and development efforts.
- ° Applied Technology Research -- Investments in product development projects leading to eventual commercialization and production.
- ° Technical Assistance and Technology Transfer -- Investments utilized to transfer technologies to new and existing concerns in order to improve economic productivity and profitability.
- ° Seed Capital Investment -- Investments to provide financial leverage to encourage private-sector seed capital investment for early stage financing for applied technology commercialization.

All programs, except Technical Assistance and Technology Transfer, require at least a dollar-for-dollar match with non-state appropriated funds.

## Investment Criteria

Entrepreneurs, businesspeople, researchers, industrialists, and educators are all encouraged to apply to the MSTA for funding support. Priority will be given to those projects which address targeted technology areas and which incorporate both advanced technology and plans for full commercialization. The target technology areas are:

- ° minerals
- ° agriculture
- ° forestry
- ° energy
- ° materials science
- ° information services
- ° biotechnology
- ° microelectronics and computer sciences

While the MSTA welcomes all proposals, the areas of greatest interest to the Board are projects that:

- ° are innovative technology based
- ° contain strong potential for stimulating new job development or job retention
- ° involve university participation
- ° add value to basic, existing business and industry in the state

Contact: Sam Hubbard, Administrator  
Montana Science & Technology Alliance  
Montana Department of Commerce  
1424 Ninth Avenue  
Helena, MT 59620  
(406) 444-3707

## OTHER STATE AGENCIES

### BOARD OF INVESTMENTS

The Montana Board of Investments may purchase debt or equity investment at market rates as permitted by the Prudent Expert Principle. The Board actively purchases qualified Montana mortgages (both residential and commercial) from approved seller/servicers, buys the guaranteed portion of SBA loans from Montana financial institutions, and purchases certificates of deposit from qualified Montana financial institutions.

Contact: James R. Howeth, Investment Officer  
Board of Investments  
555 Fuller Avenue  
Helena, MT 59620  
(406) 442-1970



## **AGRICULTURAL DEVELOPMENT**

### **Beginning Farm Loan Program**

The Montana Agricultural Loan Authority was created to provide lower interest rate financing to beginning farmers/ranchers through financial institutions and the sale of tax exempt bonds. The program is patterned after the Iowa Farm Loan Program. The Authority can provide financing on both agricultural land or depreciable agricultural assets. Retiring farmers/ranchers may also qualify for a tax deduction on the sale of agricultural land to a qualifying beginning farmer/rancher.

Contact: Michael E. Murphy, Administrator  
Beginning Farm Loan Program  
Department of Agriculture  
Sixth & Roberts  
Helena, MT 59620  
(406) 444-2402

### **Rural Development**

This program provides direct lower-interest rate financing to rural youth and rural youth organizations for junior livestock and other agricultural business loans. The program also provides for some small amount real estate, equipment or operating loans to young farmers/ranchers, and FmHA subordination loans for farm operating.

Contact: Steve Baril, Program Manager  
Rural Development Program  
Department of Agriculture  
Sixth & Roberts  
Helena, MT 59620  
(406) 444-2402

### **Marketing Assistance**

This program provides market research and other assistance to Montana's producers and those marketing agricultural products through identification, analysis and direction in development and enhancement of both foreign and domestic markets. Transportation and product movement through the state are also areas of focus and study assistance. Crop and livestock statistical reporting and grain movement data are also summarized for market information purposes.

Contact: Steve Kalgaard, Market Research Analyst  
Department of Agriculture  
Sixth & Roberts  
Helena, MT 59620  
(406) 444-2402

## **MONTANA COOPERATIVE EXTENSION SERVICE**

Financed jointly by county, state and federal governments, this educational service provides Montana with current and reliable information pertaining to four major program areas: agriculture, home economics, 4-H in Youth and community development. The community development program includes economic

development educational programs and materials aimed at the needs of small and declining communities. The Service's 53 county offices serve as referral centers for businesspeople and community leaders seeking economic development and business management information.

Contact: Dave Sharpe, Community Development Specialist  
Cooperative Extension Service  
409 Linfield Hall  
Montana State University  
Bozeman, MT 59717  
(406) 994-5608

#### **WATER DEVELOPMENT LOAN AND GRANT PROGRAMS**

The Department of Natural Resources and Conservation administers a water development loan and grant program for local governments, state agencies and private entities. The program is funded by the state's coal severance tax, which provides about \$1.5 million biennially for grants, and two bonding authorities totaling \$260 million which fund the loan programs. The program makes loans and grants available for such diverse water development projects as dam and reservoir construction, streambank stabilization and erosion control, and development of water conservation measures.

Contact: Caralee Cheney, Chief  
Water Development Bureau  
Department of Natural Resources & Conservation  
1520 East Sixth  
Helena, MT 59620  
(406) 444-6668

#### **RENEWABLE ENERGY AND CONSERVATION PROGRAM**

The Renewable Energy and Conservation program, funded with Montana's coal severance tax revenue and administered by the Department of Natural Resources and Conservation (DNRC), was established to promote the research, development and demonstration of energy conservation and of solar, wind, geothermal, small-scale hydro and biomass energy resources. This program offers grants to cover the early stages of project development, i.e., from research to demonstration, as well as loans for the commercialization of those projects with payback or income-generating potential. The Renewable Energy Program also allows DNRC to contract with individuals and organizations to undertake specific energy-related projects when the need arises. Currently, due to funding shortages, grant and loan cycles have been postponed.

In 1985, the legislature authorized the use of grant funds to retrofit state-owned buildings with energy conservation measures. Since savings resulting from these grants will help reduce operating costs for state government, grants for state building energy conservation are being funded to the extent possible given current funding limitations.

Contact: Jeanne Dony, Supervisor  
Commercial Section  
Department of Natural Resources & Conservation  
1520 East Sixth Avenue  
Helena, MT 59620-2301  
(406) 444-6697

## **VOCATIONAL TECHNICAL EDUCATION**

Public secondary and postsecondary vocational technical education programs are available throughout Montana for individuals of all ages who desire occupational skill development. These programs provide training and retraining to students who want to enter the job market with relevant basic skills, employees who want to maintain and upgrade their present skills or people who want to learn different skills necessary for a desired career change. Programs in the areas of communication, business, marketing, agriculture, health, electronics, mechanics and food service are available for students on either a full-time or part-time basis. These programs are kept up-to-date through the close working relationship of instructors and administrators with business and industry representatives.

Contact: William C. Olfert, Executive Director  
Montana Council on Vocational Education  
Executive Management Building  
1228 11th Avenue  
Helena, MT 59620  
(406) 444-2964

## **LABOR TRAINING PROGRAMS**

### **Job Training Partnership Act**

The Job Training Partnership Act (JTPA) was implemented October 1, 1983. Under JTPA, public and private sector representatives cooperate to develop and implement job training programs to meet Montana's special needs. The Act provides a framework whereby state and local programs can assist economically disadvantaged persons -- including youth, unskilled adults and dislocated workers -- to become productive members of the labor force.

### **Industrial Start-up Training Program**

The Industrial Start-up Training Program, funded by the 1983 Legislature, is a broad-based job training effort for employees of new or expanding small businesses in Montana. Administered by the Department of Labor and Industry, the program is designed to minimize new employers' problems in obtaining a trained workforce. Specifically, the department works with the employer to determine the required number and skill levels of the firm's employees. The department then conducts labor availability surveys and recruits prospective employees by handling all the advertising, screening, testing, interviewing and training. The employer subsequently makes the final employee selection.

Contact: Job Service and Training Division  
Department of Labor & Industry  
P.O. Box 1728  
Helena, MT 59624  
(406) 444-4500

## **DISADVANTAGED BUSINESS ENTERPRISE AND WOMEN BUSINESS ENTERPRISE**

The Montana Department of Highways maintains a Disadvantaged Business Enterprise and Women Business Enterprise (DBE/WBE) Office. The DBE/WBE Office is responsible for identifying, certifying, and monitoring DBE/WBE contractors

in competitive bidding and in obtaining federal-aid highway construction contracts. This office also serves as an advocate for DBE/WBE businesses with other state agencies.

Contact: Diana Spragg, DBE/WBE Program Manager  
Civil Rights Bureau  
Montana Department of Highways  
2701 Prospect Avenue  
Helena, MT 59620  
(406) 444-6332

## STATE PURCHASING POLICIES

### Small Business Procurement Set Asides

The Montana Small Business Purchasing Act of 1974 was enacted to ensure that a fair portion of state purchases and contracts for supplies and services is placed with small businesses. The Act, Section 18-5-301-308, MCA, allows each state agency to designate specific commodities, equipment or services as small business "set asides" when there is a reasonable expectation that bids will be obtained from at least three small businesses capable of furnishing the desired property or service at a fair and reasonable price. Services rendered by registered professional (accountants, attorneys, architects, etc.) are prohibited from being designated as set asides.

### Resident Bidding Preferences

Sections 18-1-102 and 102, MCA, provide for a three percent (3%) bidding preference for "resident businesses" when they bid on state contracts. This preference is awarded to vendors who meet the residency requirements detailed in Section 18-1-103, MCA, and to vendors who, regardless of residence, produce or manufacture the items that they bid in the State of Montana. The State Purchasing Division is responsible for determining eligibility for residence, using information provided by each individual vendor. This information is collected on a Bidders Affidavit Form as part of the registration process for the central bidders list.

Contact: Michael S. Muszkiewicz, Administrator  
Purchasing Division  
Room 165, Mitchell Building  
Department of Administration  
Capitol Station  
Helena, MT 59620  
(406) 444-2575

## TAX INCENTIVES

Montana has implemented a number of industrial tax incentives. These incentives include primarily (1) property tax exemptions and reductions and (2) individual income and corporate license tax credits and exemptions.

Among the property tax incentives are property assessment reductions for new or expanding manufacturing industries and for certain remodeling projects, property tax rate reductions for qualified "new industries" and for air and water pollution control equipment; and certain property tax exemptions for business inventories and "freeport merchandise" -- merchandise produced outside Montana which, while in transit through Montana, is temporarily consigned to a Montana storage facility.

Individual income and corporate license tax incentives include credits for new or expanding corporations and for certain investments, and exemptions for domestic international sales corporations (DISCs) and for investment in small business investment companies (SBICs).

Reappraisal of property reduced the tax rate on most real property (land and improvements) from 8.55% to 3.86%.

Other incentives worth noting include:

- The Montana Agricultural Loan Authority, created by the 1983 Legislature to assist farmers and ranchers in obtaining lower interest, long-term financing;
- Local Funding for Economic Development, a means by which a local governing body may, with voter approval, authorize funds to be used for certain economic development activities, and
- Additional tax incentives for alcohol distributors producing distilled alcohol for use in gasohol production.

Contact: Steve Bender, Chief  
Research Bureau  
Department of Revenue  
Sam Mitchell Building, Room 419  
Helena, MT 59620  
(406) 444-2981

## OTHER SERVICES

### THE 49TH PARALLEL INSTITUTE

Established by Montana State University, the Institute provides a liaison between the Governor's ad hoc committee on Canadian relations and the Montana-Western Canadian Provinces Boundary Advisory Committee and officials of the Canadian federal and provincial governments. The general purpose of the Institute is to improve U.S.-Canadian relations in the West. Specifically, the Institute is engaged in projects aimed at strengthening cooperative mechanisms in the areas of trade, trans-boundary pollution, tourism and cultural exchange and education. The Department of Commerce has contracted in the past with the Institute to produce a sourcebook on Montana-Canada trade and investment relations and conduct jointly with state and federal officials workshops on international business (with an emphasis on cross-border trade with Canada). The Institute continues to assist the department's International Trade Officer in identifying market opportunities in Canada and other Pacific Rim countries for Montana exports and in identifying foreign sources of investment capital.

Contact: Dr. Lauren McKinsey, Director  
49th Parallel Institute  
Department of Political Science  
Montana State University  
Bozeman, MT 59717  
(406) 994-4141

## UNIVERSITY TECHNICAL ASSISTANCE PROGRAM

The University Technical Assistance Program (UTAP) at Montana State University was created to provide technical engineering and managerial assistance to those manufacturing companies in Montana that are not in a position to hire professional consultants. The goal of UTAP is to improve the health of Montana's businesses, thereby creating new jobs and improving Montana's economy.

The University Technical Assistance Program helps Montana through the transfer of technology to eligible companies. Assistance may take the following forms:

- On-site analysis and consultation
- In-house assistance for major problems
- Technical training
- Referrals
- Technical publications
- Production and management short courses and seminars
- Computer search of technical databases

### Short-Term Technical Assistance

The Staff of UTAP provides short-term (not more than two weeks) assistance in the following areas:

- Location analysis
- Benefit/cost analysis
- Systems approach to solving problems
- Cost analysis and control
- Computer systems needs analysis
- Material and scrap control
- Feasibility studies
- Inventory analysis
- Management studies
- Office design assistance
- Manufacturing design assistance
- Production process design
- Quality control/assurance
- Equipment justification
- Automation assistance
- Productivity improvement
- Methods analysis
- Other manufacturing related problems

### SBIR Funding

UTAP may be able to provide assistance in applying for Small Business Innovative Research (SBIR) funding from federal agencies. These funds are awarded competitively to qualifying small businesses that require high risk research and development efforts for products that may have excellent commercial potential.

### Computerized Data Search

Over 200 national databases can be accessed through the NASA Industrial Applications Center. Businesses and UTAP jointly search and select information



which directly applies to the identified problem. A cost recovery fee is assessed for this service.

UTAP is affiliated with the Federal Laboratory Consortium (FLC), an organization of over 300 United States government laboratories and research centers from ten federal agencies. FLC makes the vast technological resources of the federal government available to help solve technical problems of Montana companies.

Contact: William R. (Bob) Taylor, Ph.D.  
University Technical Assistance Program  
402 Roberts Hall  
Montana State University  
Bozeman, MT 59717  
(406) 994-3812

#### **NATIONAL CENTER FOR APPROPRIATE TECHNOLOGY**

The National Center for Appropriate Technology (NCAT) administers and operates the National Appropriate Technology Assistance Service (NATAS) under contract with the U.S. Department of Energy. NATAS can assist with such things as acquiring financing, product patenting, licensing, marketing, business planning and business organization development. NATAS can also answer technical questions and help solve problems related to energy-conservation and renewable energy uses. For NATAS assistance, call 1-800-428-1718 in Montana, or write NATAS, P.O. Box 2525, Butte, MT 59702-2525. For information about other NCAT services:

Contact: Diane Smith  
National Center for Appropriate Technology  
P.O. Box 3838  
Butte, MT 59702  
(406) 494-4572

#### **RESEARCH CENTERS**

##### **Montana Bureau of Mines & Geology**

The Bureau of Mines and Geology, part of the Montana College of Mineral Science and Technology, has a regular program to assist operators of small mines. The Bureau provides assistance to all who are looking for information on water availability, quality of groundwater, mines and minerals.

Contact: Dr. Edward T. Ruppel  
Montana Bureau of Mines & Geology  
West Park Street  
Butte, MT 59701  
(406) 496-4180

##### **Antifungal Susceptibility Testing Reference Laboratory**

This laboratory serves as one of six national reference centers for the identification and susceptibility testing of medically important fungi. A physician, hospital or laboratory sends a fungus isolated from and causing human or animal disease to this laboratory for proper identification and to be tested against currently available and experimental antifungal drugs.

This service provides information which aids in the proper and optimal therapy selection by physicians responsible for the care of patients experiencing such infectious diseases.

Contact: Department of Microbiology  
Montana State University  
Bozeman, MT 59717  
(406) 994-2903 or 5667

### **Institute for Biological & Chemical Process Analysis (IPA)**

IPA was established by Montana State University to increase cooperation with private industry and government agencies in the overlapping areas of biology, chemistry and engineering. IPA conducts fundamental research, development, and testing for industry and government. IPA pursues projects that cross the traditional scientific disciplinary boundaries. Illustrative projects include: Biological reactor engineering, fouling and corrosion, energy production from biomass, microbial processes at surfaces, water and wastewater treatment, resource recovery, and natural aquatic processes. IPA offers a wide range of microbiological, biochemical and chemical analytical services related to water and wastewater treatment, natural aquatic ecosystems and biological reactor engineering. IPA also provides data processing, statistical analysis and computer programming expertise in support of sampling programs, process control and testing activities.

Contact: Dr. W.G. Characklis  
Institute for Biological & Chemical Process Analysis  
College of Engineering  
409 Cobleigh Hall  
Montana State University  
Bozeman, MT 59717  
(406) 994-4770

### **Montana Forest and Conservation Experiment Station**

A mission-oriented research program in second-growth forest management is conducted at the Lubrecht Experimental Forest east of Missoula. A grants and contracts research program in forestry, wildlife, water, recreation and range is also operated through funding from private, state, federal and industry sources.

Contact: Sidney Frissell, Director  
Montana Forest & Conservation Experiment Station  
University of Montana  
Missoula, MT 59812  
(406) 243-5521

### **The Wilderness Institute**

The Institute is an information clearinghouse on Montana's wilderness resource maintaining a file collection on wilderness areas and wild rivers; and several computerized databases. It provides educational programs, performs field studies and conducts research. The Institute provides assistance to public and private organizations in evaluating the wilderness resource, measuring wilderness use and assessing the impacts of humans on wilderness.



Contact: Bob Ream, Director or  
Ken Wall, Assistant Director  
The Wilderness Institute  
School of Forestry  
University of Montana  
Missoula, MT 59812  
(406) 243-5361

## STORAGE FACILITIES

### Port of Montana

Formerly the Port of Butte, this modern facility offers U.S. Customs services, bonded and general warehouse storage in maximum security warehousing, no inventory tax and licensed brokerage services to shippers, wholesalers and manufacturers. The Port is a public port authority export trading company promoted by the citizens of Butte-Silver Bow in an effort to strengthen and diversify both the state and local economies.

Contact: Richard L. Monaghan, General Manager  
Port of Montana  
Box 3641  
Butte, MT 59702  
(406) 494-3060

### Great Falls Foreign Trade Zone

Located at the Great Falls International Airport near the Montana-Canadian border, the Great Falls Foreign Trade Zone offers special import/export, manufacturing and warehousing benefits to businesses requiring these services. Plans for the near future include the addition of custom brokerage services, transportation services, worldwide marketing and distribution services and facilities management capabilities.

Contact: Ronald Oberlander  
Great Falls Foreign Trade Zone #88  
P.O. Box 3324  
Great Falls, MT 59403  
(406) 761-5037

## U.S. SMALL BUSINESS ADMINISTRATION

### Financial Assistance

#### Regular Loans

Most of the SBA's business loans are made by private lenders and then guaranteed by the agency. There is no limit on the loan size but SBA's guaranty cannot exceed \$500,000 or 90%, whichever is smaller. The interest rate is set by the lender (although some limits are imposed by the SBA) and the term cannot exceed 25 years. Loans for working capital seldom exceed seven years. Although loans may be for any worthwhile purpose, the agency prefers to be considered a fixed asset lender.

## Special Loan Programs

1. Local Development Company Loans (502 Programs): Loans are made to groups of local citizens whose aim is to improve the economy in their areas. Loan proceeds may be used by the development company to assist specific small businesses for the purpose of plant acquisition, land, machinery and equipment.
2. Certified Development Company Program (504 Corporation): The program's purpose is to help communities by stimulating the growth and expansion of small businesses within a defined area of operation. Certified Development Companies are authorized to sell debentures pertaining to an identifiable small concern with SBA's 100% guarantee. The proceeds from the sale of each debenture will be used for plant acquisition, construction, conversion or expansion for each identifiable small business concern.
3. Disaster Assistance: When the President or the Administrator of the Small Business Administration declares a specific area to be a disaster area, Physical Damage Disaster Loans are available from the SBA. They are made to homeowners, renters and businesses to repair or replace damaged or destroyed homes, personal property and businesses.
4. Surety Bonds: SBA is authorized to guarantee to a qualified surety up to 90% of losses incurred under bid, payment or performance bonds issued to contractors on contracts valued up to \$1 million. The contract may be used for construction, supplies or services. (This program is administered in Denver, Colorado.)

## Small Business Investment Companies (SBIC's)

The major function of an SBIC is to make "venture" or "risk" investments by supplying equity capital and extending unsecured loans to small businesses which meet its investment criteria. SBIC's are privately capitalized and obtain financial leverage from the SBA. They make both straight loans and equity investments.

Contact: Rocky Mountain Capital Ltd.  
315 Securities Building  
Billings, MT 59101  
(406) 256-1984

## Business Development

SCORE and ACE (Service Corps of Retired Executives and Active Corps of Executives)

These groups help small business executives solve their operating problems through one-on-one counseling relationships.

## Small Business institutes (SBI's)

At each SBI (located on university and college campuses), senior and graduate students at schools of business administration, and their faculty advisors, provide on-site management counseling. Students are guided by the faculty advisor and SBA management assistance experts. They receive academic credit for their work.

## Small Business Development Centers (SBDC's)

These centers draw from resources of local, state and federal government programs, the private sector and university facilities to provide managerial and technical help, research studies and other types of specialized assistance to small businesses.

## International Trade Counseling and Training

SBA works closely with the U.S. Department of Commerce and other government agencies, and with private organizations to help develop programs to aid small firms in doing business abroad. Emphasis is placed on the practical application of successful exporting and importing procedures to small business.

## Procurement Assistance

Federal Procurement specialists in SBA offices throughout the country counsel small businesses on how to prepare bids and obtain prime contracts and subcontracts, direct them to government agencies that buy the products or services the small firms supply, help them get their names placed on bidders' lists and assist in obtaining drawings and specifications for proposed purchases. (Administered in the Denver Regional Office.)

SBA:

- ° Helps federal agencies to direct government subcontracts to small businesses;
- ° Helps private contractors to direct federal subcontracts to small businesses;
- ° Refers qualified small businesses to federal prime contractors;
- ° Monitors the granting of federal contracts to small firms by federal agencies.

Contact: U.S. Small Business Administration  
Federal Building  
301 South Park  
Helena, MT 59626  
(406) 449-5381

## LOCAL ECONOMIC DEVELOPMENT ORGANIZATIONS

The following is a partial list of organizations whose primary purpose is to promote economic growth in their local areas. They have completed the Certified Communities program and are prepared to assist in business expansion or relocation.

Rodney R. Miller, Chief Planner  
Fort Peck Tribal Executive Board  
P.O. Box 115  
Poplar, MT 59255  
768-5155, X321

Jim Davison, Executive Director  
Anaconda Local Development Corp.  
P.O. Box 842  
Anaconda, MT 59711  
563-5538

Doris Fischer, Executive Director  
Gallatin Development Corporation  
P.O. Box 1114  
Bozeman, MT 59715  
587-3113

Don Dahlen  
Liberty County Development Corp.  
P.O. Box 629  
Chester, MT 59522  
759-5362

Manson H. Bailey, Jr., Exec. Dir.  
Valley County Development Council  
P.O. Box 832  
Glasgow, MT 59230  
228-8221, X14

Roger Young, President  
Great Falls Area Chamber of Commerce  
P.O. Box 2127  
Great Falls, MT 59403  
761-4434

Tony Preite, Executive Director  
Bear Paw Development Corporation  
P.O. Box 1549  
Havre, MT 59501  
265-9226

David Sanchez, President  
Mineral County Economic Dev. Corp.  
P.O. Box 711  
Superior, MT 59872  
822-4000

Butch Ott, Executive Director  
Forward Billings Econ. Dev. Council  
P.O. Box 1155  
Billings, MT 59102  
248-7979

Evan Barrett, Executive Director  
Butte Local Development Corporation  
P.O. Box 507  
Butte, MT 59703  
723-4349

Steve Marquesen, President  
Columbia Falls Chamber of Commerce  
P.O. Box 312  
Columbia Falls, MT 59912  
892-2072

John H. Johnson, Executive Director  
Glendive Forward  
P.O. Box 930  
Glendive, MT 59330  
365-8612

Diana Sheidt, Executive Secretary  
Hardin Chamber of Commerce & Ag  
P.O. Box 350  
Hardin, MT 59034  
665-1672

Dixie E. McCampbell  
Red Lodge Area Chamber of Commerce  
P.O. Box 998  
Red Lodge, MT 59068  
446-1718

George Anderson, President  
Helena Area Econ. Dev. Corp.  
P.O. Box 1147  
Helena, MT 59601  
442-3540

Ed Gallagher, Director  
Kalispell Development Corporation  
P.O. Box 1997  
Kalispell, MT 59901  
752-7491

Jerry E. Hanson  
Whitefish Comm. Development Corp.  
P.O. Box 1214  
Whitefish, MT 59937  
862-4612

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